

1 MR. SAYEG: This will be Exhibit Number
2 4. The Bates number is BMT FL 00642816.

3 (WHEREUPON, Edgar Deposition Exhibit 4
4 was marked for identification.)

5 BY MR. SAYEG:

6 Q. Mr. Edgar, I'm going to play this,
7 and then I'll ask you some questions
8 afterwards. Okay?

9 A. Okay.

10 AUDIO: "Hi, and thanks for tuning in
11 today. This is Derek Edgar, product manager
12 with the hip group. And for the next few
13 minutes I am going talk about how to
14 successfully position your products against
15 Stryker Orthopaedics.

16 "Stryker got into the joint replacement
17 business back in late 1979 with their
18 acquisition of Osteonics, and they became a
19 major player about seven years ago when they
20 bought Howmedica.

21 Today they are the number one hip company
22 and the number two total joint company in the
23 United States, behind only Zimmer Centerpulse.
24 Stryker is also in the hospital products

1 business, selling beds and OR supplies, and
2 you've probably noticed that almost all your
3 surgeons gown up in a Stryker branded
4 spacesuit. Led until very recently by longtime
5 CEO, John Brown, Stryker is one of our most
6 formidable foes in the orthopedic business.
7 And to be very frank, they may be our most
8 challenging competitor over the next few years.

9 As a broader observation of the hip
10 market, companies have become increasingly
11 interested in shortening product life cycles.
12 What I mean by that is that there is more focus
13 today than ever before on continually revamping
14 and updating products. Kind of like the model
15 automobile manufacturers adopted after the
16 Second World War.

17 Although this allows salespeople to
18 continuously put new things in front of the
19 customer, the inherent flaw in this strategy is
20 obvious. If your product is only available for
21 seven or eight years, by the time a clinician
22 can publish meaningful long-term follow-up
23 data, good or bad, the product has been long
24 since discontinued."

1 BY MR. SAYEG:

2 Q. Mr. Edgar --

3 MR. CAMPBELL: I just want to note for
4 the record, is that a -- is that complete in
5 terms of the audio file?

6 MR. SAYEG: That is the complete audio
7 file on the Bates number that I just read to
8 you.

9 MR. CAMPBELL: Okay. Thank you.

10 BY MR. SAYEG:

11 Q. Mr. Edgar, were you able to hear that
12 recording?

13 A. I was.

14 Q. Okay. In that recording, you stated
15 that there's an obvious flaw in shortening
16 product life cycles and that it wouldn't allow
17 for meaningful data to come out, good or bad,
18 about the product.

19 Do you still -- do you believe what you
20 said in that recording was truthful?

21 MR. CAMPBELL: Object to form.

22 A. I believe that was only a partial
23 aspect of the recording. So I think in its
24 entirety, it would provide more context.